

KLAIPEDA UNIVERSITY

V INTERNATIONAL SCIENTIFIC-PRACTICAL CONFERENCE

**MODERN TRANSFORMATIONS
IN ECONOMICS AND MANAGEMENT**

March 26-27, 2021

Proceedings of the Conference

**Klaipeda, Lithuania
2021**

UDK 33(062)

Mo045

Organising Committee

Rimantas Stašis	Professor, Dr. of Economics, Head of Management Department, Klaipeda University, Lithuania.
Algirdas Giedrtaitis	Associate Prof., Dr. of Economics, Professor of Management Department, Klaipeda University, Lithuania.
Jan Žukovskis	Associate Prof., Dr. of Economics, Head of Business and Rural Development Management Institute, Aleksandras Stulginskis University, Kaunas, Lithuania.
Lina Pileliene	Professor, Dr. of Economics, Vytautas Magnus University, Kaunas, Lithuania.
Yuliya Bogoyavlenska	Ph.D, Assistant Professor in Economy, Department of Personnel Management and Labour Economics Zhytomyr State Technological University, Ukraine.
Galina Ulian	Professor, Dr. of Economics, Dean of Faculty of Economic Sciences, State University of Moldova.
Kostiantyn Shaposhnykov	Professor, Dr. of Economics, Head of Black Sea Research Institute of Economy and Innovation, Ukraine.
Yuliana Dragalin	Dr. of Economics, Associate Professor, Dean of Faculty of Economic Sciences, Free International University, Moldova.
Olga Chwiej	Associate Professor, Dr. of Economics, freelancer scientist, Poland.

Modern transformations in economics and management:

V International scientific-practical conference (March 26-27, 2021. Klaipeda, Lithuania). Riga, Latvia : “Baltija Publishing”, 2021. 184 pages.

Contents

ECONOMIC THEORY AND NOBELELOGY: RECENT ADVANCES

Каргапольцева І. В. ДЕРЖАВНЕ РЕГУЛЮВАННЯ ЕКОНОМІКИ В ЕПОХУ СОЦІАЛЬНИХ МЕРЕЖ.....	1
---	---

THE GLOBAL ECONOMY AND INTERNATIONAL ECONOMIC RELATIONS

Kalinichenko O. O., Vikarchuk O. I. IMPACT OF COVID-19 ON THE ECONOMY AND SOCIETY	6
---	---

Корнівська В. О. ПРОЯВИ СУПЕРЕЧНОСТІ ГЛОБАЛІЗАЦІЇ І ЛОКАЛІЗАЦІЇ У ФІНАНСОВО-ІНСТИТУЦІЙНОМУ ПРОСТОРІ	11
--	----

Kostenko A. M. GLOBALIZATION TRENDS OF ART COMPANIES DEVELOPMENT IN THE GLOBAL MARKET OF CREATIVE INDUSTRIES.....	15
--	----

Кузьменко О. М. ВПЛИВ ГЛОБАЛЬНИХ ПРОЦЕСІВ НА СВІТОВИЙ РИНОК АВТОМОБІЛІВ	19
--	----

Муленко В. М., Павлюк В. І. ТРАНСФОРМАЦІЯ СИСТЕМИ ГЛОБАЛЬНОГО ПОДІЛУ ПРАЦІ В УМОВАХ ПАНДЕМІЇ	25
---	----

Parubets S. O. ASSESSMENT OF INNOVATION GAP BETWEEN HIGH-INCOME AND LOW-INCOME COUNTRIES.....	29
--	----

ECONOMICS AND MANAGEMENT OF NATIONAL ECONOMY, NATIONAL MODELS OF ECONOMIC SYSTEMS AND GLOBAL PROCESSES

Гончар Л. О., Павлюк Д. М. ОСОБЛИВОСТІ ОРГАНІЗАЦІЇ АНТИКРИЗОВОГО УПРАВЛІННЯ РЕСТОРАННИМ БІЗНЕСОМ В УМОВАХ ПАНДЕМІЇ COVID-19.....	34
---	----

Зварич І. Т., Зварич О. І. МЕНЕДЖМЕНТ МІСЦЕВИХ БЮДЖЕТІВ У СИСТЕМІ БЮДЖЕТНОГО ПРОЦЕСУ В УКРАЇНІ.....	39
--	----

THE GLOBAL ECONOMY AND INTERNATIONAL ECONOMIC RELATIONS

Kalinichenko O. O., PhD., Senior Lecturer
Vikarchuk O. I., Ph.D., Associate Professor
Zhytomyr Ivan Franko State University
Zhytomyr, Ukraine

DOI: <https://doi.org/10.30525/978-9934-26-064-3-2>

IMPACT OF COVID-19 ON THE ECONOMY AND SOCIETY

There is a theory that every 100 years a pandemic erupts on the planet. You can say that this is a coincidence, but the chronology is alarming. In 1720 it was a plague, in 1820 it was cholera, and in 1918 it was Spanish flu. Many researchers say that the current coronavirus epidemic is reminiscent of the events of previous centuries. The outbreak of the COVID-19 epidemic has become, without exaggeration, another challenge for humanity of a global nature.

Ukraine, like the whole world, is facing a turbulent period in economic development. The COVID-19 coronavirus epidemic was a kind of «amplifier» of the negative trends that shook the world markets in early March. Suppose that even if Ukraine were ready for the next round of the global financial crisis, the weakness of the domestic economy would still make itself known. All known «diseases» of the Ukrainian economy can already be called chronic, and they have not disappeared for more than 20 years now.

And if we add to this a few negative factors – the Donbas war, a change of government and uncertainty with the implementation of further economic reforms – we have reason to believe that the Ukrainian economy can expect another large-scale collapse.

The threat of a new epidemic loomed above the world – the coronavirus, which began its movement in China, seized more and more states, taking away the lives of their inhabitants. During 01/04/2020 the number of patients increased by about 75 thousand.

Which is one of the biggest indicators since the start of the pandemic. In the course of a day, about 4,5 thousand people died on the planet of COVID-19, which is the world record of daily mortality from coronavirus [1].

Outbreaks have always plagued humanity. The data presented indicate that, despite all our tremendous successes in various fields, epidemics are a real global problem, because in a rapidly globalizing world, economic, medical and other problems of individual countries and regions can quickly emerge. problems of the world community.

According to World Bank experts, pandemics today can be a real shock to the world economy: a serious pandemic can cause economic losses at almost 5% of world GDP, or more than \$ 3 trillion, while losses from a «weak» influenza pandemic (such as the H1N1 virus in 2009) can cost about 0,5% of world GDP [6].

By the way, for the sake of completeness, epidemics affecting animals and plants should be mentioned. According to the experience of previous epidemics, the countries with the most epidemic outbreaks suffer the greatest economic losses, but the losses have a very clear sectoral link. Therefore, the combined economic impact of these two types of epidemics is quite tangible globally.

The fact that the Ukrainian economy will slow down the growth rate is an obvious fact. The world economic growth rates will decline substantially, and with them, of course, will slow down its growth and the GDP of Ukraine [2].

However, economists have warned of slowing global GDP growth even before the start of the pandemic coronavirus. But for Ukraine, the forecasts were even better than the world. Thus, the World Bank improved its forecast for Ukraine's GDP growth in 2019 from 2,7% to 3,6%. Other factual figures and forecasts are worth noting. In 2019, GDP growth slowed slightly compared to 2018 – from 3,4% to 3,3%.

At the beginning of the current year, the National Bank pointed out the gradual growth of the domestic economy to 3,5% in 2020 and 4% in 2021–2022 [7].

However, it was March that the Ministry of Economic Development, Trade and Agriculture recorded a slowdown in GDP

growth for the first time since 2016. Probably not the best results will be in April and May. However, it is during these months that the state receives taxes for the first quarter of the current year and it is possible to predict the prospects for further economic development, given these indicators.

In addition to slowing GDP growth, a standard set of crisis-specific periods is expected in Ukraine: a fall in industrial output, a devaluation of the hryvnia due to exporters' lack of foreign exchange earnings, and an increase in government debt.

The outbreak of the coronavirus epidemic has affected the economy of China, and with it a chain reaction will affect the whole world. It is primarily about the trade and production of goods and components manufactured in the PRC. The world's second-largest economy has hit a major blow, which means that an explosive wave will affect everyone without exception [4].

In Ukraine, a slowdown in the global economy can lead to a decline in business activity, which will automatically mean rising unemployment. Moreover, the «outlet» in the form of foreign currency transfers from employees may not work this year. Production downturns and contractions will accompany the entire EU economy.

Among the long-term effects of the impact of the crisis on the Ukrainian economy at the National Bank are called a reduction in exports and a decrease in the attractiveness of government debt securities. In addition, the situation will worsen with debt. And in combination, all these factors will accurately affect the depreciation of the hryvnia. No one can predict the exact depth of the devaluation of the national currency, but the National Bank has spent about \$ 1 billion of accumulated reserves over the last week to keep the hryvnia from falling sharply, although the domestic currency has devalued by 1,9 hryvnias for one week [9].

Obviously, further devaluation will lead to higher prices. However, with at least a 5-week nationwide quarantine, other risks should be addressed.

First and foremost is the loss of small and medium-sized businesses. The tourism industry, services, transportation will suffer.

In addition, the government has already recorded about 20% of the planned proceeds from customs in the last two months. Reduced earnings from workers. Perhaps a wave of contractions in the real sector of the economy is expected in April and May [3].

The government is trying to at least slow down the negative effects caused by quarantine and forced economic slowdown. Thus, at an extraordinary session of Parliament, a number of decisions were made to ease the tax burden on businesses. The Verkhovna Rada exempted all entrepreneurs from the ESU for 2 months from payment, temporarily abolished penalties for late payment of the ERU, introduced a temporary moratorium on business checks until July 1, postponed payment of land and real estate tax until the end of May forced ordinary businesses are exempted from paying PIT.

In addition, the Verkhovna Rada provided for exemption from penalties for late payment on consumer loans from March 1 to April 30 this year. All these measures should somewhat alleviate the burden on the business, however, will significantly affect the overall decline in business activity and do not offset a significant loss of profit. This means that in the coming months, Ukrainians will have to tighten their belts significantly.

The quarantine measures due to the coronavirus epidemic will affect not only business owners, but also all citizens of Ukraine without exception. First of all, changes will occur in the work schedule and the way to make money. Many Ukrainians will try themselves as «freelancers» or simply work from home [5].

It is also interesting that the current situation exposes a number of problems with logistics and communication. Thus, to the mayors of large cities, their residents may ask the question of underdeveloped cycling infrastructure, which could significantly facilitate urban travel while at the same time not carry great risks for the spread of the disease [1].

Obviously, while the authorities have little to say about a clear plan for dealing with the crisis in the internal financial sector. First of all, it is about state support for business entities that can go bankrupt.

One way or another, quarantine and the financial crisis will be for many Ukrainians one more proof that seeking a better fortune abroad or hoping for big wages carries with it such the same risks as solving a number of problematic issues at home. That is why the new crisis and coronavirus can become a reference point as more and more Ukrainians focus on ordering things at home [8].

So, it is almost impossible to predict the end of a coronavirus pandemic. The sooner scientists can invent the vaccine, the less global damage will be, but it is not so easy to do. In addition, the virus is spread throughout the world. The number of cases in the world has already exceeded 100 thousand, and according to analysts – the peak will fall in mid-March. Therefore, it is unknown how severe the financial consequences of the disease will be.

The best thing to do now is not to panic by buying essentials and tossing national currency into buying dollars. Because, at the moment, panic remains far more dangerous than the coronavirus itself.

References:

1. Sait zhurnalu «Eurosurveillance: yevropeyskyi zhurnal shchodo nahliadu za infektsiinymy zakhvoriuvanniamy, epidemiolohii, profilaktyky ta kontroliu» [Site of journal «Eurosurveillance: Europe's journal on infectious disease surveillance, epidemiology, prevention and control»]. Available at: <https://www.eurosurveillance.org>
2. (2020). Ne vmyraty chas Svitovyi rekord smertnosti, v Rosii tysyacha khvorykh za 2 dni, u Turkmenistani koronavirus zaboronyly [No time to die: World record of deaths in Russia, a thousand patients in 2 days, in Turkmenistan banned coronavirus]. Available at: <https://www.pravda.com.ua/news/2020/04/1/7246001>
3. Statystyka Yevropeiskoho tsentru profilaktyky ta kontroliu zakhvoriuvan, ahentsii Yevropeiskoho Soiuzu [Statistics from the European Center for Disease Prevention and Control, an agency of the European Union]. Available at: <https://www.ecdc.europa.eu>
4. Latora V., Marchiori M. (2003) Ekonomichna povedinka maloho svitu u zvazhenykh merezhakh [Economic small-world behavior in weighted networks]. *Yevropeyskyi fizychnyi zhurnal BCondensed Matter and Complex Systems* [The European Physical Journal BCondensed Matter and Complex Systems], no. 32 (2), pp. 249–263.
5. Yagudina R.I., Zinchuk I.Yu., Litvinenko M.M. (2012) Analiz «vartosti zakhvoriuvannia»: vydy, metodolohiia, zvitnist [Analysis of the "cost of the disease": types, methodology, reporting]. *Farmaekonomika* [Pharmaeconomics], no. 1, pp. 4–9.

6. Virus retsesii: shcho stanetsia vid svitovoi ekonomiky pislia pandemii [Recession virus: what will happen to the global economy after the pandemic]. Available at: <https://mind.ua/en/openmind/20209018-virus-recessii-chto-budet-s-mirovoj-ekonomikoj-posle-pandemii>

7. Koronavirus u chyslakh: yak zminylasia svitova ekonomika [Coronavirus in numbers: how the world economy has changed]. Available at: <https://www.bbc.com/ukrainian/features-51994936>

8. Maa A. (2014) Sorok dnev i chorna smert. Pokhodzhennia ta etymolohiia poniattia [Forty Days and the Black Death. Origin and etymology of the concept]. Karantyn ta yoho znachennia [Quarantine and its meaning], no. 5, p. 14.

9. Peredbachennia COVID-19: Vplyv na ekonomiku ta suspilstvo [COVID-19 Foresight: Impact on Economy and Society]. Available at: <http://wdc.org.ua/uk/covid19>

Корнівська В. О., д.е.н.

*ДУ «Інститут економіки та прогнозування
Національної академії наук України»*

м. Київ, Україна

DOI: <https://doi.org/10.30525/978-9934-26-064-3-3>

ПРОЯВИ СУПЕРЕЧНОСТІ ГЛОБАЛІЗАЦІЇ І ЛОКАЛІЗАЦІЇ У ФІНАНСОВО-ІНСТИТУЦІЙНОМУ ПРОСТОРІ

Еволюція суспільних, економічних систем може бути розкрита у її різних аспектах, одним з яких є розгортання суперечності між глобалізацією та локалізацією. За методологією д.е.н. Гриценка А.А. суперечність між глобалізацією і локалізацією представляє собою найзагальнішу форму прояву суперечності сумісно-розділених відносин. При цьому глобалізація «розвивається з боку сумісності й реалізується, перш за все, через інформаційно-технологічні та фінансово-економічні механізми», локалізація «розвивається з боку роздільності й реалізується через просторово-територіальні форми» [1, с. 10]. Глобалізація розвивається також в управлінських формах, у спрямуванні представників наднаціональних інститутів до формування основ